

CHINA JO-JO DRUGSTORES, INC.

Form 4

July 07, 2014

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2015
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Liu Lei

2. Issuer Name and Ticker or Trading Symbol
CHINA JO-JO DRUGSTORES, INC. [CJJD]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
07/02/2014

Director 10% Owner
 Officer (give title below) Other (specify below)
CEO, Chairman of the BOD

1ST FLOOR, YUZHENG PLAZA,, NO. 76 YUHUANGSHAN ROAD

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

HANGZHOU, ZHEJIANG PROVINCE, F4

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)	
				Code	V	Amount	(A) or (D)	Price
Common Stock	07/02/2014		A		619,482 <u>(1)</u>	A		\$ 1.52 <u>(2)</u>
					6,831,482	(3)	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 6)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Liu Lei 1ST FLOOR, YUZHENG PLAZA, NO. 76 YUHUANGSHAN ROAD HANGZHOU, ZHEJIANG PROVINCE, F4	X	X	CEO, Chairman of the BOD	

Signatures

/s/ Lei Liu 07/07/2014

__Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Represents shares granted to the Reporting Person to offset a debt of personal funds, in the amount of approximately \$941,613, advanced by the Reporting Person to the Company over the past two (2) years to pay the Company's overseas service providers. The Company's audit committee and the board of directors approved the issuance of 619,482 shares of common stock to the Reporting Person. The shares bear a standard legend under the Securities Act of 1933, as amended.

(2) Based on the fair market value, being the closing stock price of the Company's common stock traded on NASDAQ on July 1, 2014.

(3) Includes (i) 160,000 shares granted as a restricted award under the Company's 2010 Equity Incentive Plan that, pursuant to the Restricted Stock Award Agreement between the Reporting Person and the Company dated as of December 31, 2013, vested immediately; (ii) 22,000 shares granted as a restricted stock award under the Company's 2010 Equity Incentive Plan that, pursuant to the Restricted Stock Award Agreement between the Reporting Person and the Company dated as of January 16, 2012, will vest on January 16, 2015; and (iii) 6,030,000 shares held by Super Marvel Limited, of which the Reporting Person is the executive director and a shareholder, and as such, is deemed to have or share voting and investment controls over such shares.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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